

SECTION 5

SERVICE REQUIREMENTS/SCOPE OF WORK

This section sets forth the general requirements that the Qualified Vendor will be expected to comply with in the delivery of agreement services. The Qualified Vendor shall also comply with the requirements in Section 7, Service Specifications, for each service identified in the Qualified Vendor Agreement Award Notice as well as Section 6, DES/DDD Standard Terms and Conditions, and all other provisions of this Request for Qualified Vendor Applications (RFQVA).

5.1 Provider Qualifications

The Qualified Vendor shall meet all applicable license/certification requirements and standards throughout the term of the Qualified Vendor Agreement, including the following:

1. If required in statute or regulation, the Qualified Vendor shall have the appropriate current Arizona license and fully comply with all licensing requirements prior to the delivery of service. Payment will not be made for services delivered prior to the issuance of the license.
2. The Qualified Vendor shall be certified by the Division as a home- and community-based provider pursuant to A.A.C. Title 6, Chapter 6, Article 15 prior to the delivery of service. Payment will not be made for services delivered prior to the date of certification.
3. The Qualified Vendor shall be registered as a provider with AHCCCSA prior to the delivery of service. Payment will not be made for services delivered prior to the date of registration.
4. The Qualified Vendor shall comply with A.A.C. Title 6, Chapter 6, Article 9, Managing Inappropriate Behaviors.
5. The Qualified Vendor shall comply with all applicable Federal and State laws.
6. The Qualified Vendor shall comply with applicable Division policies, procedures and administrative directives. The Policies and Procedures are posted on the Division's website at <http://www.de.state.az.us/ddd/>.
7. As needed to effectively implement the service, the Qualified Vendor will be able to communicate effectively with the consumer/family/consumer's representative (e.g., American Sign Language or Spanish). This may include utilizing alternative communication strategies (written versus spoken) or using a volunteer translator, or recruitment of staff who speak different languages.

8. When transportation of the consumer is provided as part of the service:
 - 8.1 The vehicle in which transportation is provided must have valid license plates and, at a minimum, the State of Arizona required level of liability insurance.
 - 8.2 The vehicle must be maintained in a safe, working order.
 - 8.3 The vehicle must be constructed for the safe transportation of the consumers. All seats must be fastened to the body of the vehicle and individual(s) properly seated when the vehicle is in operation. The vehicle must have operational seat belts installed and be operational for safe passenger utilization. When transporting, consumers must be securely fastened in age and weight appropriate restraints, as required by State law.
 - 8.4 Consumers with special mobility needs shall be provided transportation in a vehicle adapted to those needs as required to facilitate adequate access to service.
 - 8.5 If the vehicle is used to transport consumers in wheelchairs, it shall also be equipped with floor-mounted seat belts and wheelchair lock-downs for each wheelchair that it transports.
 - 8.6 Persons providing transportation must be a minimum of 18 years of age and possess and maintain a valid driver license.
 - 8.7 The Qualified Vendor shall review driving records.
9. The Qualified Vendor shall have on file three verifiable letters of reference that clearly state the name, address, and phone number of the person providing the reference and make them available upon request to the Division.

5.2 Staffing

1. The Qualified Vendor shall have a plan for the recruitment, initial and ongoing training, retention and monitoring of direct service staff.
2. The Qualified Vendor shall ensure that each direct service staff meets the qualifications in A.A.C. R6-6-1520 through 1533 as applicable.
3. The Qualified Vendor shall ensure that no direct service staff work unsupervised with consumers until all required training has been completed.
4. The Qualified Vendor must ensure that all direct service staff are appropriately trained to meet the special needs of the consumer being served (e.g., behavioral or medical challenges).
5. The Qualified Vendor shall ensure that staff are trained and supported to effectively meet the variety of needs of the consumer, including consumers with intensive behavioral, physical, and medical challenges.

6. The Qualified Vendor shall have a staff back-up plan at all times in order to ensure that appropriately trained back-up staff are available when the primary staff person is not available and the service is critical to assure the maintenance of health and safety of the consumers receiving service.
7. The Qualified Vendor shall routinely monitor and supervise direct service staff to ensure the ability/fitness of the direct service staff as well as assess the effectiveness of the relationship between the consumer/consumer's representative and the direct service staff.

5.3 Training

1. The Qualified Vendor shall ensure that all direct service staff receive the following training:
 - 1.1 Minimum orientation standards regarding individuals served and the operations of the program.
 - 1.2 Minimum training standards in areas determined by the Division and Qualified Vendor depending upon the specific needs of the setting and/or of the consumers served.
 - 1.3 Specialized training as required.
2. All training completed shall be documented in the individual employee's personnel record.
3. The Qualified Vendor shall encourage participation of consumers and parents in presenting staff training.

5.4 Delivery of Services

1. The consumer/family/consumer's representative has the right and responsibility to choose from the available Qualified Vendors whom they believe will best meet the needs of the consumer. If services are provided to a group, the consumers shall collectively choose the Qualified Vendor/direct service staff.
2. The Qualified Vendor shall, as set forth in each consumer's Individual Support Plan (ISP), deliver services to consumers in such a manner that meets the following service goals:
 - 2.1 To increase or maintain the self-sufficiency of consumers.
 - 2.2 To maintain the health and safety of consumers.
 - 2.3 To provide services in a manner that supports and enhances the consumer's independence, self esteem, self-worth, mutual respect, value, and dignity.

3. The Qualified Vendor shall ensure that in delivering services, specific service-related activities as well as staffing are:
 - 3.1 Available and provided at any time as specified in the consumer's ISP.
 - 3.2 Modified appropriately in order to accommodate the changing needs of the consumer and/or his/her environment.
 - 3.3 Delivered in a manner that takes into consideration the primary language of the consumer (and consumer's representative) as well as any cultural diversity issues.
 - 3.4 Provided according to the personal needs, cultural considerations/preferences, and medical needs of the consumer.
4. The Qualified Vendor shall ensure that materials, supplies, equipment and activities meet the varied interests, physical needs/abilities, chronological ages and cultural backgrounds of consumers.
5. The Qualified Vendor shall ensure that services are provided by appropriately qualified and trained staff, including ensuring that all tasks required to be performed by a medical practitioner are performed by a qualified medical practitioner.
6. The Qualified Vendor shall ensure that services are provided in the least restrictive environment.
7. The Qualified Vendor shall ensure that children and adults are not served together unless specifically approved in the child's ISP.
8. Under no circumstances shall more than one type of habilitation service be provided to a consumer at the same time.

5.5 Service (Prior) Authorization

The system to be implemented with this Request for Qualified Vendor Applications will greatly streamline the authorization process to allow both the Division and the Qualified Vendor to better address changing consumer needs. Changes in authorization levels will not require changes to the Qualified Vendor Agreement. Authorization levels will be set by the Division to reflect the current needs of the consumer.

The Qualified Vendor shall be reimbursed for services delivered that have been prior authorized by the Division designee. Authorization is specific to a particular consumer in a particular setting and is not transferable to other consumers.

If the needs of the consumer changes, the authorization is subject to change. Prior to making any changes in the level of service provided (including an increase or decrease in the number of units of service) and/or a change in the setting, the Qualified Vendor must ensure that it has received the appropriate new authorization from the Division.

5.6 Referrals for Services

When a Qualified Vendor receives a referral for services for a consumer, the Qualified Vendor must:

1. Assess the referred consumer for appropriate services and, within ten days of referral, inform the referral source either in writing or verbally whether the Qualified Vendor will serve the consumer.
2. Meet or confer with the consumer and/or the consumer's representative prior to the start of service delivery to obtain necessary information and have an orientation to the specific needs of the consumer, including obtaining all required consents.
3. Ensure that direct service staff have the necessary skills and training, as identified in the consumer's ISP, e.g., client intervention training, sign language, etc. to provide services to the consumer.
4. Obtain authorization from the Division prior to the service start date.

For emergency referrals, the Division will call the Qualified Vendor and request an immediate response as to whether they can appropriately address the emergency needs of the consumer.

5.7 Individual Support Plan (ISP) and Related Activities

As part of the ISP process, the Qualified Vendor shall, as appropriate, assist the consumer's ISP team in developing the consumer's ISP and facilitating its implementation. The Qualified Vendor shall support all of the applicable ISP goals and ensure that all applicable objectives are implemented. (See *DES/DDD Policy and Procedure Manual Chapter 800* for a detailed discussion of ISP development.)

5.8 Quality Management Plan

The Qualified Vendor shall develop and maintain a quality management plan in order to continuously monitor the delivery of services and to ensure that the services are appropriately meeting the objectives set forth in consumers' ISPs. The Qualified Vendor shall keep the quality management plan on file and make the plan available to the Division or consumers/families/consumer representatives upon request.

The quality management plan shall contain elements that address the following:

1. Incident management, corrective action and preventions.
2. Complaints and grievances.

3. Solicitation of input from consumers, families and/or consumer representatives including input on consumer satisfaction, the hiring and/or evaluation of direct service staff, and the improvement of services.
4. Opportunities provided to consumers/families/consumer representatives to be actively involved in Qualified Vendor operations.
5. Monitoring and evaluation of services provided (i.e., measurement of outcomes as it relates to the ISP objectives) and the improvement of the quality and appropriateness of services.

5.9 Transition

There are a number of circumstances under which a Qualified Vendor will become involved in the transitioning of a consumer to another Qualified Vendor. All Qualified Vendors shall assist the Division in the transition of the consumer to the new Qualified Vendor. This may include working closely with the consumer and family; providing all necessary support services to ensure a smooth transition; and transferring of pertinent records to the new Qualified Vendor. If the Qualified Vendor participates in a transition placement process, it shall maintain documentation of participation and development of the consumer's ISP.

5.10 Recordkeeping

1. The Qualified Vendor shall maintain books and records related to services and expenditures as required by the Division in rule or policy or in this RFQVA, as amended. Documents that the Qualified Vendor shall have on file include but are not limited to:
 - 1.1 Articles of Incorporation, partnership agreements and/or Internal Revenue Service letter, as applicable.
 - 1.2 Copies of all licenses and/or certifications.
 - 1.3 A current organizational chart that outlines the functional structure of the organization, including all program areas and staff positions.
 - 1.4 If applicable, a complete list of the members of its Board of Directors, partners, or owners as applicable, including names, titles, addresses and phone numbers.
 - 1.5 Current written job descriptions, which include minimum qualifications for training and experience, for each position that will be utilized in the provision of a service under the Qualified Vendor Agreement.
 - 1.6 Current resumes/applications for each person who will be providing services under the Qualified Vendor Agreement.
 - 1.7 Current resumes for administrative/management positions.
 - 1.8 If applicable, documentation of inspections and licenses necessary to operate a residential setting.

2. The Qualified Vendor shall maintain a file on each consumer. A consumer's file should include the following, as applicable:
 - 2.1 Pertinent documents related to the consumer's ISP such as the consumer's ISP, the consumer's support plan, and the consumer's behavioral health treatment plan.
 - 2.2 Record of services rendered (including administration of medications) and the consumer's response to services.
 - 2.3 Documentation of communications with consumer/consumer's representative, other service providers, support coordinator, etc.
 - 2.4 Copy of the orientation document.
 - 2.5 Copy of attendance sheets.
 - 2.6 Copy of the monthly progress reports.
 - 2.7 Documentation of incidents related to the consumer and/or complaints related to the Qualified Vendor's care of the consumer and documentation of resolution.
 - 2.8 All required consents, such as General Consent and/or Consent for Use of Behavior Modifying Medications.

5.11 Application and Use of Published Rates

1. The Qualified Vendor shall comply with the following general requirements relating to the use of published rates in the delivery of agreement services. In addition, the Qualified Vendor shall comply with the rates procedures issued by the Division from time to time.
2. The published rate schedules and the requirements related to their use are available on the Division's website. The published rate schedules and the requirements related to their use may be updated or changed from time to time. Affected agreements will be amended to include changes.
3. As indicated in Section 3.4, the Division is not accepting Qualified Vendor Applications from independent providers at this time. However, the Division will continue contracting with independent providers using Individual Service Agreements (ISAs).
 - 3.1 The published rate schedules that will initially apply to this RFQVA will not include rates for independent providers (non-agency rates). The independent provider rates (non-agency rates) included in the draft rate schedules that were released January 21, 2003 for Attendant Care; Habilitation, Support; Housekeeping; Respite; Day Treatment and Training, Adult; Day Treatment and Training, Children (After-School); Day Treatment and Training, Children (Summer); Habilitation, Individually Designed Living Arrangement; and Transportation (family) have been withdrawn.
 - 3.2 The independent provider rates (non-agency rates) will be re-released during the fall of 2003 after the development and administration of the statewide individual consumer level of need assessment process and the adoption of rate modifiers. Until that time independent providers will continue to be compensated pursuant to the independent rate schedule in the district where the consumer resides. After

the statewide rates for independent providers (non-agency rates) are published, independent providers, whether or not they are Qualified Vendors, will receive the applicable statewide independent provider rate (non-agency rate) as modified by the individual consumer level of need assessment.

4. The Division has published four rate schedules that are available on the Division's website. The schedule numbered 1.1 (with any revisions numbered 1.2, 1.3 etc.) and the schedule numbered 2.1 (with any revisions numbered 2.2, 2.3, etc.) contain the rates that will be used only in State Fiscal Year (Fiscal Year) 2004, during the phase in of the published rate schedules. The schedule numbered 3.1 (3.2, 3.3, etc. for later version) and the schedule numbered 4.1 (4.2, 4.3, etc. for later versions) will be used beginning in Fiscal Year 2005. The discussion below references rate schedules 1.1, 2.1, 3.1, and 4.1. As new schedules are released, they will be numbered to reflect the version (e.g., the next version of 3.1 will be numbered 3.2). However, unless otherwise provided, the explanation below will continue to apply.

4.1 Schedule 1.1 (labeled "SFY 04 Phase-In Rates") contains the rates that will be used in Fiscal Year 2004. Qualified Vendors shall use one of three rates (step-up, adopted or step-down) for each service when billing the Division, based on the following criteria:

- If during Fiscal Year 2003, the Qualified Vendor was reimbursed by the Division at an average paid unit rate lower than or equal to the step-up rate for a given service, the Qualified Vendor shall bill the Division at the step-up rate for that service during Fiscal Year 2004.
- If during Fiscal Year 2003, the Qualified Vendor was reimbursed by the Division at an average paid unit rate higher than the step-up rate for a given service and lower than or equal to the adopted rate for the same service, the Qualified Vendor shall bill the Division at the adopted rate for that service during Fiscal Year 2004.
- If during Fiscal Year 2003, the Qualified Vendor was reimbursed by the Division at an average paid unit rate higher than or equal to the adopted rate for a given service and lower than the step-down rate for the same service, the Qualified Vendor shall bill the Division at the adopted rate for that service during Fiscal Year 2004.
- If during Fiscal Year 2003, the Qualified Vendor was reimbursed by the Division at an average paid unit rate higher than or equal to the step-down rate for a given service, the Qualified Vendor shall bill the Division at the step-down rate for that service during Fiscal Year 2004.

4.2 Schedule 2.1 (labeled "SFY 04 Phase-In Rates, Conversion to Daily Rates") converts the staff hourly rates to daily rates for the services of Habilitation, Community Protection and Treatment Group Home and Habilitation, Group Home. The schedule contains three sub-schedules for each of these services, one labeled "step-up rate," one labeled "adopted rate," and one labeled "step-down rate" based upon staff hourly rates. The rates on these schedules are to be used by Qualified Vendors providing these two services during Fiscal Year 2004.

4.3 The average paid unit rate that the Qualified Vendor was reimbursed during Fiscal Year 2003 will be determined in the following manner:

4.3.1 For the following services:

- ☐ Habilitation, Group Home
- ☐ Habilitation, Community Protection and Treatment Group Home

The average rate will be determined by service site, with the calculated staff hour rate contained in the contract amendments relating to the Fiscal Year 2003 provider rate increase effective July 1, 2002, or any subsequent amendment between the Applicant and the Division agreed to in writing no later than November 1, 2002. Applicants should refer to the "Combined 4.0 and 5.5 for HABILITATION, Group Home" in their current contract. The calculated staff hour rate is the staff hour rate that was used in the calculation that produced the daily rate contained in the column on this document labeled "Rate Eff 7/1/02."

If the Qualified Vendor adds new sites not previously in contract, the adopted rate will be used (i.e., not the step-up rate or the step-down rate).

4.3.2 For the following services:

- ☐ Day Treatment and Training, Adult
- ☐ Day Treatment and Training, Child (After-School)
- ☐ Day Treatment and Training, Child (Summer)
- ☐ Habilitation, Nursing Supported Group Home
- ☐ Room and Board, All Group Homes
- ☐ Occupational Therapy
- ☐ Occupational Therapy Early Intervention
- ☐ Physical Therapy
- ☐ Physical Therapy Early Intervention
- ☐ Speech Therapy
- ☐ Speech Therapy Early Intervention
- ☐ Transportation

There will be no average rate determined, in as much as the step-up, step-down, and adopted rate are all equal.

4.3.3 For the following services:

- ☐ Attendant Care
- ☐ Habilitation, Community Protection and Treatment Hourly
- ☐ Habilitation, Support
- ☐ Housekeeping
- ☐ Respite
- ☐ Habilitation, Vendor Supported Developmental Home (Child and Adult)
- ☐ Room and Board, Vendor Supported Developmental Home (Child and Adult)
- ☐ Habilitation, Individually Designed Living Arrangement
- ☐ Home Health Aide
- ☐ Nursing

The average paid unit rate will be determined for each Qualified Vendor by the Division based on the units billed by the Qualified Vendor and paid by the Division for Fiscal Year 2003, from the beginning of the fiscal year until February 7, 2003 and appearing on the Division's automated systems. In determining the average rate for each Qualified Vendor, the Division will not consider any claims that have a rate per unit of service that is below the single client floor rate established for Fiscal Year 2003 pursuant to the provider increase process established for the year.

4.3.4 For Qualified Vendors that did not have a contract with the Division to provide a particular service in Fiscal Year 2003, the rate that will be used for that particular service in Fiscal Year 2004 will be the adopted rate.

4.4 Schedule 3.1 (labeled "Benchmark and Adopted Rates") contains the rates that will be used in Fiscal Year 2005. The Schedule contains two columns of rates. The first column labeled "Benchmark Rate" contains the rates that the Division calculated through its rate setting process. The second column labeled "Adopted Rate" contains the rates that the Division adopted for the published rate schedule and these are the rates to be used for each service when billing the Division.

4.5 Schedule 4.1 (labeled "Adopted Rates, Conversion to Daily Rates") converts the staff hourly rates from Schedule 3.1 to daily rates for the services of Habilitation, Community Protection and Treatment Group Home and Habilitation, Group Home. The rates on these schedules are to be used for these two services when billing the Division.

5. The Division may provide for a method to modify a published rate for a service provided to a particular consumer.

6. The Division acknowledges that the rate models used to determine the Benchmark Rates on Schedule 3.1 do not necessarily reflect actual cost profiles. Actual patterns of expenditures by Qualified Vendors may be different from those outlined in a given rate model. The Division recognizes that assumptions in the rate models may need to be updated over time.